

Hon. Marsha J. Pechman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

RRW LEGACY MANAGEMENT
GROUP, INC., a Washington corporation,
and ANTOINETTE WALKER, individually
and as a Limited Partner of Argyll Limited
Partnership,

Plaintiffs,

v.

CAMPBELL WALKER,

Defendant.

No. 2:14-cv-00326MJP
(Consolidated with 2:14-cv-1544)

DECLARATION OF MALAIKA M.
EATON IN SUPPORT OF
PLAINTIFF RRW'S MOTION FOR
ATTORNEY FEES AND COSTS

Note on Motion Calendar:
Friday, August 26, 2016
Without Oral Argument

CAMPBELL INVESTMENT COMPANY,
a Washington corporation,

Plaintiff,

v.

CAMPBELL M. WALKER, a foreign
individual,

Defendant.

I, MALAIKA M. EATON, declare under penalty of perjury of the laws of the
United States of America and State of Washington that the following statements are true
and correct and based on personal knowledge:

1 1. I am over the age of 18 and competent to testify to the matters set forth
2 herein. This declaration is made in support of Plaintiff RRW Legacy Management Group,
3 Inc.'s Motion for Attorney Fees and Costs.

4 2. I have practiced law in the state of Washington since 2002. My work has
5 focused on trial practice since that time. During that time I have tried numerous cases to
6 jury verdict and judgment in both state and federal court, including as lead counsel. I
7 have also arbitrated several commercial matters to resolution and served as lead counsel in
8 a number of bench trials. Attached as **Exhibit A** is a true and correct copy of my bio
9 maintained on McNaul's website.

10 3. I graduated cum laude from Willamette University, and magna cum laude
11 from Cornell Law School. After graduating law school, I clerked for The Honorable
12 Thomas G. Nelson of the U.S. Court of Appeals for the Ninth Circuit. I was admitted to
13 the Washington Bar in November 2002. I am currently a member at McNaul Ebel Nawrot
14 & Helgren PLLC. Before joining McNaul, I practiced for a number of years at Heller
15 Ehrman LLP.

16 4. I am admitted to practice in Washington state courts, the United States
17 District Courts for the Western and Eastern Districts of Washington, the United States
18 Court of Appeals for the Ninth Circuit, the United States Court of Federal Claims, and the
19 Supreme Court of the United States.

20 5. My hourly rate in this matter was \$365 in 2014 and \$375 in 2015. I am
21 familiar with the rates charged by my firm and other firms in the Seattle area. These rates
22 are within the reasonable range charged in complex matters such as this one by attorneys
23 with similar experience, skill, and reputation in the Seattle area.

24 6. Similarly, the rates for the other McNaul attorneys and paralegals who
25 worked on this matter are within the reasonable range given the background and
26 experience of McNaul's attorneys, the skill required by the undisputed factual complexity

1 of this action, the value of the businesses at stake in this litigation, and the prevailing rates
2 in the Seattle-area legal market.

3 7. Charlotte Archer worked as an associate on this matter. Ms. Archer's
4 hourly rate on this matter was \$300 in 2014 and \$310 for 2015. Ms. Archer graduated
5 cum laude from Willamette University, and graduated with honors from the University of
6 Washington School of Law. Ms. Archer was admitted to the Washington Bar in 2010.

7 8. Claire Martirosian also worked as an associate on this matter. Ms.
8 Martirosian's hourly rate for 2015 was \$310. Ms. Martirosian graduated with distinction
9 from the University of Virginia, and graduated from New York University School of Law.
10 Ms. Martirosian was admitted to the bar of New York in 2012, and the Washington Bar in
11 2015. Before joining McNaul, Ms. Martirosian worked as an associate in the New York
12 office of Debevoise & Plimpton LLP and clerked for Judge David Mannheimer of the
13 Alaska Court of Appeals.

14 9. Kimberly Anderson worked as a paralegal on this matter. Ms. Anderson
15 has over 20 years of experience in the field of commercial litigation. Ms. Anderson's
16 hourly rate was \$195 in 2014 and \$200 in 2015.

17 10. William Carleton is a partner in McNaul's Business Department. Mr.
18 Carleton's hourly rate was \$420 in 2014 and \$435 in 2015. Kimberly Walker was an
19 associate in McNaul's Business Department. Ms. Walker's rate was \$260 in 2014. Both
20 Mr. Carleton and Ms. Walker provided advice to RRW regarding corporate law issues as
21 they related to the litigation.

22 11. Several other attorneys in my office provided limited assistance on this
23 matter at various points in time. Peter M. Vial is a partner in McNaul's Litigation
24 Department. Mr. Vial's rate was \$480 in 2014. Curtis Isacke also worked as an associate
25 on this matter. Mr. Isacke's rate was \$290 in 2014 and \$300 in 2015. Amy Stanton also
26 worked as a paralegal on this matter. Ms. Stanton's rate was \$195 in 2014. Jessica

1 Kamish worked as a contract attorney on this matter. Ms. Kamish's hourly rate was \$300
2 in 2015.

3 12. Attached hereto as **Exhibit B** are true and correct copies of McNaul's
4 invoices in this matter, which have been redacted to remove information protected by the
5 attorney-client and work product privileges. To the extent that an entire row on an invoice
6 is redacted (and thus does not show the timekeeper, number of hours billed, etc.), RRW is
7 not seeking fees associated with the redacted billing entry. Highlighted entries reflect
8 work on RRW's Motion for Summary Judgment, for which RRW is only seeking to
9 recover 2/3 of its fees.

10 13. The amount of time expended by RRW on this matter was reasonable.
11 This litigation was undeniably complex, as it involved untangling 15 years of wrongdoing
12 on the part of Defendant while he was in control of the interrelated entities, Argyll and
13 CIC. It also involved discovery relating to a number of overseas entities and trusts. In an
14 effort to mask his self-dealing transactions, Defendant had failed to properly maintain the
15 books and records of both entities—and in discovery, it became clear that what records
16 did exist were in extreme disarray. The parties took eight depositions in this case, at least
17 one of which was an out-of-town deposition. The case likewise required out of state
18 subpoenas to third parties aligned with Defendant, some of whom were less than fully
19 cooperative in responding to the subpoenas. Properly litigating this matter involved many
20 hours of painstaking review of nearly 10,000 documents and significant work with experts
21 to understand the nature and extent of Defendant's wrongdoing. This matter also involved
22 a significant amount of briefing, including multiple rounds of summary judgment (one of
23 which was a very early—and unsuccessful—summary judgment brought by Defendant
24 seeking to dismiss the claims against him before discovery). This litigation was
25 vigorously contested, and counsel for RRW spent significant time preparing this case for
26

1 trial before this Court granted summary judgment for RRW—a complete success on the
2 merits for RRW.

3 14. In October 2015, McNaul associated with counsel for CIC. I served as co-
4 counsel for CIC at trial. McNaul's fees incurred during its representation of CIC are
5 included with CIC's Motion for Attorney Fees and Costs, brought separately.

6 15. Counsel for RRW worked efficiently to limit the hours billed. Tia Walker
7 personally devoted significant time and effort to document review, reducing the number of
8 necessary attorney hours. Also, counsel for RRW worked closely with counsel for CIC to
9 avoid duplication of effort. RRW filed its case first, in March 2014. Dkt. 1. CIC filed its
10 complaint in October 2014, and the cases were consolidated in January 2015. Dkt. 85. As
11 the evidence necessary for RRW's declaratory claims overlapped with the evidence
12 necessary for CIC's breach of fiduciary duty claim, counsel for RRW conducted the vast
13 majority of the document discovery and depositions necessary for both cases.

14 16. Tia Walker does not seek fees incurred to litigate claims brought in her
15 individual capacity. After the litigation had been pending for several months, RRW and
16 Tia amended their complaint to bring individual claims for Tia's personal damages,
17 separately from RRW's declaratory claims. These claims were modest, including the
18 amounts spent by Tia in her personal capacity to uncover Defendant's wrongdoing during
19 the period before RRW and Tia obtained control of Argyll and CIC. These claims were
20 not a significant focus of the litigation and were resolved in advance of trial, resulting in a
21 recovery to Tia of \$12,800. As this recovery was solely for Tia's benefit, rather the
22 benefit of Argyll or CIC as a whole, Tia does not seek recovery for fees associated with
23 these claims. To the extent that it was not feasible to determine the total amount of time
24 spent on Tia's claims versus RRW's claims, RRW removed the entire entry, with the
25 exception of RRW and Tia's Motion for Summary Judgment, Dkt. 92. The Motion
26 addressed Tia's individual claims, but RRW's claims and Defendant's counterclaims were

1 the primary focus of the Motion. RRW therefore reduces its fee request with the Motion
2 and related work by one-third, which is a conservative approach.

3 17. In a further effort to be conservative, RRW has excluded from its fee
4 request billing entries relating to advice from McNaul attorneys regarding corporate,
5 transition, and Walker family issues, including mixed entries where it was not feasible to
6 determine the amount of time spent on this litigation versus other issues.

7 18. RRW has excluded various other categories of billing entries from its fee
8 request, including RRW removed entries for the attendance of a second lawyer at a court
9 hearing, entries relating to ancillary issues unrelated to the core issues in this litigation,
10 entries reflecting time spent on settlement, and entries reflecting a new associate coming
11 up to speed while another associate went on maternity leave.

12 19. Based on these exclusions, RRW has removed approximately 285 attorney
13 and paralegal hours from its lodestar calculation and \$96,131 from its total fee request.

14 20. Based on my opinion and experience, the \$362,530 in fees requested by
15 RRW is reasonable, especially given the conservative nature of RRW's fee request, the
16 complexity of the case, and the exceptional outcome received by RRW.

17 21. RRW should also be allowed to recover \$28,921.88 in expert witness fees.
18 Accounting expert William Partin of Mueller and Partin, P.S., a certified public
19 accountant and forensic economist, was retained to review Argyll and CIC materials to
20 evaluate the economic losses incurred by Argyll Limited Partnership resulting from
21 Campbell Walker's alleged breach of fiduciary duty. Work by Mr. Partin and his
22 colleagues at Mueller and Partin, P.S. represents \$26,319.38 of the total amount of expert
23 fees. RRW also retained Michael P. Verchot, a University of Washington business
24 professor, to opine on Argyll and CIC's corporate governance practices during the time he
25 was general partner of Argyll and president of CIC. The work of these experts was
26

1 essential to understanding the nature and scope of Defendant's misconduct. Invoices
2 received from these experts are attached as **Exhibit C**.

3 22. RRW should also be allowed to recover \$5,763.09 in document
4 management fees from Espy Case Solutions, the vendor that maintained the database of
5 documents received and produced by RRW in this litigation. Invoices from Case
6 Solutions are attached as **Exhibit D**.

7 23. RRW should also be allowed to recover \$9,170.24 in computer legal
8 research fees. A summary of RRW's legal research costs is attached as **Exhibit E**.

9 24. RRW incurred \$5,849.41 in fees for court reporters and deposition
10 transcripts during this litigation. RRW does not seek these fees in this motion, as they are
11 recoverable as taxable costs pursuant to 28 U.S.C. § 1920(2) (allowing recovery of "[f]ees
12 for printed or electronically recorded transcripts necessarily obtained for use in the
13 case."). However, to the extent that any of those fees are not recoverable as taxable costs,
14 they are recoverable as "related nontaxable expenses" in the instant motion. To the extent
15 Defendant plans to argue that these fees are outside the ambit of 28 U.S.C. § 1920(2), the
16 Court should award those fees here. Invoices are attached as **Exhibit F**.

17 DATED this 11th day of August, 2016, at Seattle, Washington.

18
19 By: s/Malaika M. Eaton

20 Malaika M. Eaton, WSBA No. 32837

CERTIFICATE OF SERVICE

I hereby certify that on August 11, 2016, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel of record who receives CM/ECF notification.

DATED: August 11, 2016.

By: s/Malaika M. Eaton
Malaika M. Eaton, WSBA No. 32837